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Crystal gazing

1. Defense

Why not try to make comparable? (Stockpiling and foreign and in US figure)

2. Machinery and equipment, pp. 8-10, 21.

a. Clarify whether projections refer to 1958-65 or 1960-65 and eliminate inconsistencies in estimates of some products. For example:

- (1) Steel growth, 6 to 6.5%, p. 10, 6%, p. 2
- (2) Machinery growth 7-8%, pp. 10, 21.

b. Is it seriously contended that aggregate industrial production will grow faster (8.5% to 9.5%) than machinery (7-8%)? pp. 8, 21.

c. 1958 plan for 13% increase in producer durable investment, p. 21. Should not this be 31%?

d. Can estimate of greatly reduced rate of growth in machine building be reconciled with the following 1958 planned increases in investment:

Iron ore mining	74%
Chemistry	50%
Foundry equipment	39.8%
Automation	20%


e. D/I suggests that the report gives too little attention to quality changes in machine building, new products needed by the chemical and other materials processing industries, substitution of new materials for those in short supply,

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SUBJECT: Crystal gazing

and attention to metal saving design all of which might tend to neutralize the effects of the predicated steel shortage on the machine building industry. In general, the machine building industry is discussed statistically, as the numerical derivative of developments in raw materials, little reference to conditions in the machine building industry as such.

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